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July 2, 2025

Via E-Filing

Honorable Jed S. Rakoff
U.S. District Court
Southern District of New York
United States Courthouse
500 Pearl Street, Room 1320
New York, New York 10007

Re: *G&A Strategic Investments I LLC, et al. v. Petróleos de Venezuela, S.A., et al.*, No. 23-cv-10766 (JSR), and related cases

Dear Judge Rakoff:

We write on behalf of Defendants Petróleos de Venezuela, S.A. (“PDVSA”) and PDVSA Petróleo, S.A. (“PPSA”). PDVSA and PPSA respectfully submit the below response to Plaintiffs’ proposed damages figures filed on July 1, 2025.¹

Halliburton / Girard Note—Case No. 23-cv-10722-JSR & Case No. 23-cv-4448-JSR

Subject to and without waiver of their reservation of rights set forth in footnote 1 below, PDVSA and PPSA do not dispute Plaintiffs’ calculations of principal and interest related to the Halliburton / Girard Note.

SLB / G&A Notes—Case No. 23-cv-10766-JSR

PDVSA and PPSA do dispute Plaintiffs’ calculations of interest related to the SLB / G&A Notes.

Plaintiffs’ calculation impermissibly seeks a double recovery by stacking 8.50% default interest on top of 6.50% contractual interest. That is not permitted by the Notes and is not the methodology Plaintiffs used in calculating the interest amounts for the Halliburton / Girard Note. Section 2.04 of the Note Agreements provides that upon default, “all amounts outstanding under this Agreement and the other Finance Documents shall bear interest (after as well as before judgment) . . . at a rate per annum equal to eight and one-half percent (8.5%).” *See* Dkt. 177-4, Decl. of Evan Glassman, Ex. 16, at G_000100054. That is, the 8.50% default interest rate replaces the 6.50% contractual interest rate upon the event of a

¹ PDVSA and PPSA make this submission with full reservation of their rights to appeal the Court’s order of summary judgment and entry of judgment in favor of Plaintiffs on Counts I and II.



default. The Note Agreements do not provide for the 8.50% default interest rate to be added on top of the 6.50% contractual interest rate.²

As an alternative to Plaintiffs' proposal, PDVSA and PPSA submit the below proposal, which does not stack 8.50% default interest on top of 6.50% contractual interest. Instead, in PDVSA and PPSA's proposal, the 8.50% default rate replaces the 6.50% contractual rate upon default. The proposed interest calculation matches the interest calculation made by Plaintiffs for the Halliburton / Girard Note (Interest = 8.5% X Outstanding Principal X Time from Date of Default to 7/2/2025).

| | Principal | Total With Interest as of 7/2/2025 | Per-Diem Pre and Post-Judgment Rate |
|-----------------------|------------------|---|--|
| Plaintiffs' Proposal | \$700,000,007.16 | \$1,233,761,225.49 | \$189,488.91 |
| PDVSA / PPSA Proposal | \$700,000,007.16 | \$1,149,428,778.88 | \$163,013.70 |

PDVSA and PPSA respectfully request that the Court's final judgment reflect the amounts proposed by PDVSA and PPSA above.

Respectfully submitted,

/s/ Matthew C. Hoffman

Matthew C. Hoffman

² In their summary judgment briefing, Plaintiffs calculated interest by stacking the 8.50% default rate and the 6.50% contractual rate. *See* Dkt. 204, Pls.' Mem. of Law in Supp. of Mot. for Summ. J., at 7, 39–40 (seeking \$189,488.91 per day in contractual interest). However, they explicitly sought only the 8.50% default interest rate and did not claim that they were entitled to stacking that rate on top of the 6.50% contractual rate. *Id.* (requesting principal plus 8.5% contractual interest). *Id.* Plaintiffs initially sought 9.00% statutory interest as well, but withdrew that request in their Reply based on case law prohibiting double recovery of contractual and statutory interest. *Id.*; Dkt. 230, Pls.' Mem. of Law in Supp. of Mot. for Summ. J., at 20.